

## Salary Ceilings for Nursing Facilities for FYE 6/30/2016

| <b><u>Position</u></b>                     | <b><u>FY 2016*</u></b> |
|--------------------------------------------|------------------------|
| <b>Administrator</b>                       |                        |
| 0 - 49 beds                                | \$ 88,187              |
| 50 - 74 beds                               | \$ 102,863             |
| 75 - 99 beds                               | \$ 117,548             |
| 100 - 149 beds                             | \$ 127,355             |
| 150+ beds                                  | \$ 132,233             |
| <b>Asst. Administrator</b>                 |                        |
| 0 - 49 beds                                |                        |
| 50 - 74 beds                               |                        |
| 75 - 99 beds                               | \$ 63,698              |
| 100 - 149 beds                             | \$ 68,585              |
| 150+ beds                                  | \$ 78,385              |
| <b>Dietary Supervisor</b>                  | \$ 58,773              |
| <b>Social Worker</b>                       | \$ 58,773              |
| <b>Director of Nursing</b>                 | \$ 68,586              |
| <b>Maintenance Supervisor</b>              | \$ 63,698              |
| <b>Activities/Social Services Director</b> | \$ 58,773              |
| <b>Bookkeeper</b>                          | \$ 53,362              |
| <b>Office Supervisor</b>                   | \$ 53,362              |

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\* These salary ceilings should be applied only to individuals who are non-owner related parties. Salaries for nursing home owners should be limited to \$100,000. The effective date of this change was July 1, 2001, with the use of the 2000 cost report.

### **Home Office Salaries**

- A. A "per bed" approach is used to establish annual limits for the home office salaries\*. Based on the 70th percentile, the following caps would be set for the 2016 cost reports.

| Position | Per Bed<br>(70th Percentile) |
|----------|------------------------------|
| CEO      | \$519                        |
| COO      | \$436                        |
| CFO      | \$178                        |

Salaries for all other positions should be limited to the CFO cap. Fringe benefits costs should be adjusted accordingly.

- B. The maximum allowable expense for fees paid to members of a facility's board of directors is as follows:

\$2,622 per member/per year

- C. For fees paid to medical directors, the following general ceilings have been established:

| bedsize | 0 - 100  | 101 - 200 | 200+     |
|---------|----------|-----------|----------|
| amount  | \$25,913 | \$34,550  | \$43,188 |

- D. For expenses related to vehicles, a general guideline of one vehicle for each one hundred beds or portion thereof has been established. If a facility reports property costs or operation costs for more vehicles than the guideline suggests, the facility should be informed that a disallowance would be made unless the facility could justify its high number of vehicles. If any justification is offered, the auditor should exercise his/her judgment in waiving the disallowance. Also, continue the review of vehicles comparing the lower of IRS or Medicare limits.

- E. Review any changes to Chapter 1000 of the Nursing Facility Services Manual.